various measures such as deployment of additional Central Security Forces to aid the State authorities with the objective of carrying out intensive Counter Insurgency Operations and providing security for vulnerable institutions and installations based on threat assessments; vigilance and surveillance on the border, including the construction of border fencing; sharing of intelligence; financial assistance for strengthening of the local Police Forces and intelligence Agencies under the Police Modernisation Scheme; provision of assistance for strengthening various aspects of security apparatus and other aspects of anti-militancy operations by way of reimbursement of Security Related Expenditure; assistance to the States for raising of additional forces in the form of India Reserve Battalions; etc. The Central Government is maintaining close and continuous coordination with the State Governments in the region with a view to periodically review the situation and taking further steps as may be necessary on a continuing basis.

In addition, in a meeting of the Joint Anti Terrorism Mechanism between India and Pakistan held in New Delhi on 22nd October, 2007, both sides shared new information on terrorist incidents including those which have occurred since the last meeting. They agreed to continue to work to identify measures, exchange specific information and assist in investigations. India's concerns relating to terrorism and continuing terrorist infrastructure have also been raised with Pakistan in bilateral meetings. The Government has also taken up the matter of action against Indian Insurgent Groups/camps with the Government of Bangladesh at various fora. The matter was recently raised in the Home Secretary level talks between India and Bangladesh held in August, 2007 at New Delhi. Bangladesh side stated that it would take effective action against any activity by groups inimical to India and agreed that swift action would be taken if timely information is provided.

Slow down in industrial growth

*292. SHRI KALRAJ MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that industrial growth had sharply slowed down in July, 2007 to 7.1 per cent from 13.2 per cent in the same month a year ago;

(b) if so, the sector-wise comparative growth, month-wise; and

(c) the main reasons for the decline in industrial growth?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) the industrial growth, it terms of index of industrial production (IIP), recorded a growth of 7.5% in July 2007 against 13.2 in July 2006.

The month-wise and sector-wise growth of industrial sector, as per IIP over the corresponding period of previous year are given below:

Growth rate (In %)

Sector	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	April-September 2007-08
Mining & Quarrying	2.6	3.8	1.5	3.7	15.4	6.0	5.3
Manufacturing	12.4	11.3	9.7	7.9	10.5	6.6	9.7
Electricity	8.7	9.4	6.8	7.5	9.2	4.5	7.7
Overall Industry	11.3	10.6	8.9	7.5	10.7	6.4	9.2

(c) The increase in real interest rate combined with appreciation of the rupee are two major factors which have been having an effect of manufacturing in the current financial year.

Indian industries in defence production

*293. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of DEFENCE be pleased to state:

(a) whether Government is encouraging Indian industries in defence production;

(b) if so, the details thereof during the last three years; and

(c) the present status thereof?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) to (c) Till 2001, the defence production was confined in the public sector, presently having 8 Defence public Sector Undertakings and 39 Ordance Factories. In May 2001, the defence industry sector was opened upto 100% for Indian private sector participation subject to licensing. Since then, 73 Letters of Intent/Industrial Licenses have been issued to various companies in the private sector for manufacture of wide range of defence items.

Various steps have been taken during last three years to encourage Indian Industries to participate in defence production. These include provision relating to offset, maintenance, through Indian industry, of 'Buy' category of items procured from overseas sources and level playing field, which have been incorporate in the Defence Procurement Procedure-2006. Issues concerning the Indian industry like shared development cost and minimum order quantity in development projects have also been addressed in the 'Make' procedure notified as part of Defence Procurement Procedure-2006.

Pending rural road projects under Bharat Nirman Programme

*294. SHRI C. PERUMAL: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether it is a fact that a number of projects of rural roads under Bharat Nirman Programme planned under Tenth Plan are still pending, resulting in huge cost variance;

(b) if so, the number of pending rural road projects under this programme, State-wise;

(c) whether these projects would be forwarded to the Eleventh Plan; and

(d) if so, the details of the cost variance due to delay of rural road projects, State-wise?

THE MINISTER OF RURAL DEVELOPMENT (SHRI RAGHUVANSH PRASAD SINGH): (a) During the first 2 years *i.e.* 2005-06 and 2006-07, 13831 habitations were connected with all-weather road against the target of connecting 23164 habitations under rural roads component of Bharat Nirman.

(b) State-wise details of habitations connected against the targets fixed during the period 2005-07 as well as balance habitations to be connected have been indicated in the Statement (*See* below).